LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 6711 NOTE PREPARED: Jan 29, 2008 **BILL NUMBER:** HB 1159 **BILL AMENDED:** Jan 24, 2008

SUBJECT: 211 Services.

FIRST AUTHOR: Rep. Welch BILL STATUS: As Passed House

FIRST SPONSOR: Sen. Merritt

FUNDS AFFECTED: X GENERAL IMPACT: State

DEDICATED FEDERAL

Summary of Legislation: (Amended) This bill defines "information and referral services" for purposes of 211 dialing code services. The bill gives the right of first refusal for provision of 211 services for a state agency to a 211 service provider if the 211 service provider and the state agency determine that 211 is the most cost effective method of delivering the services. The bill also requires the Office of Management and Budget (OMB) to coordinate a study with various state agencies to identify information and referral services and to report the results of the study to the Indiana Utility Regulatory Commission (IURC), 211 service providers, and General Assembly no later than December 31, 2008. This bill requires a state agency that uses 211 to enter into an agreement with the recognized 211 service provider that establishes the terms and amount of compensation to the recognized 211 service provider.

Effective Date: (Revised) Upon passage.

Explanation of State Expenditures: (Revised) This bill will increase the administrative expenditures of the IURC and the OMB. The amount of the increase is indeterminable.

The bill provides that funds from the 211 Services Account (Account) may be used to provide grants or other compensation to a recognized 211 service provider. Under current law, these funds may only be used to provide grants. This Account is administered by the IURC, therefore the IURC will be required to adopt and amend rules and procedures for administering payments from the 211 Services Account. This provision could also increase the expenditures from the Account due to allowing payments to service providers for other compensation in addition to grants. The Account consists of appropriations from the General Assembly, funds from the federal government, investment earnings, and money from any other sources. According to the IURC, there are no funds in the 211 Services Account.

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The bill also requires OMB to coordinate a study with various state agencies to identify information and referral services and to report the results of the study to the IURC, 211 service providers, and General Assembly no later than December 31, 2008. The cost of doing this study is indeterminable.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: IURC; Office of Management and Budget.

Local Agencies Affected:

<u>Information Sources:</u> Joe Sutherland, 317-233-4723, Executive Director, IURC.

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